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Better Marketing



Division of Marketing and Marketing Agreements

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BOSTON MILK PROGRAM RAISED FARMERS' INCOME

Marketing Program Helped Increase Returns to 18,000 New England Dairy-men by Over 9 Million Dollars

An increase of \$9,400,000 in returns to approximately 18,000 New England dairy-men during 853 successive days in the period in which the Agricultural Adjustment Administration had in operation a milk-marketing program for the Boston, Mass., area is indicated by a preliminary report submitted to the Dairy Section by the market administrator for that market.

A comparison of the period during which the program was in effect with the April 1, 1933-March 31, 1934, period shows that during the period in which the Federal milk-marketing program for the Boston area operated, the average return per dairy farm selling milk in the Boston market increased over 60 cents per day. The increase in the price of class 2 milk, which is based on the price of western cream, contributed more than 20 cents to the increase in the daily return per dairy, or a total increase for the period of the program of approximately \$3,500,000 to New England farmers selling milk in the Boston market.

The report points out that only a small part of the increase in the price of class 2 milk may be attributed to the program for the Boston market, where the price of this milk has always been based directly or indirectly upon the national prices of butter and cream. The prices of these dairy products have been influenced by the Agricultural Adjustment Administration's surplus removal and other national programs, as well as by drought conditions which reduced feed supplies and affected prices. Much of the increase in returns from class 1 milk can be attributed much more directly to the program in the market.

Adverse Court Ruling

The milk-marketing program for the Boston area was in effect for nearly 3 years first under an agreement and license and more recently under an order issued by the Secretary of Agriculture under the provisions of the Agricultural Adjustment Act, as amended. The program was suspended August 1 of this year as a result of a decision rendered July 23 by Judge Elisha H. Brewster, of the Federal district court in Boston. This decision held that the marketing agreement and order provisions of the act had been affected by the United States Supreme Court's decision in the *Hoosac Mills case*, which involved pro-

(Continued on p. 4)

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Amendments to Walnut Marketing Agreement Program Are In Effect

Amendments to the marketing agreement and order for handlers of walnuts grown in California, Oregon, and Washington became effective September 27.

One provision of the amendments establishes for the crop year beginning September 1, 1936, and ending August 31, 1937, the salable percentage of walnuts at 75 percent and the surplus percentage at 25 percent. For the crop year ending September 1, 1936, the salable percentage was 70 percent and the surplus percentage was 30 percent. The walnuts of the salable percentage may be sold in the domestic market as unshelled walnuts, and the walnuts of the surplus percentage may be sold either in the domestic market as shelled walnuts or exported.

A second provision of the amendments exempts from the surplus obligation provisions walnuts produced in the States of

(Continued on p. 3)

BIG PLUM CROP SHIPPED UNDER MARKETING PLAN

Marketing Agreement Program Assisted California Growers in Maintaining Their Prices

A marketing-agreement program which operated for the first time for California fresh plums enabled the industry to adjust shipments of this year's crop to market and maintained prices for the 1936 season at an average equal to that for the past five seasons despite the fact that shipments exceeded the average for those years.

Under the marketing-agreement program it was possible to put into effect regulations which governed the grade and size of fruit shipped to market. These regulations were designed to improve returns to growers and avoid losses on the plums shipped. According to the General Crops Section, a total of 3,960 carloads of fresh California plums were shipped under the program in interstate commerce. Despite the fact that the quantity shipped this year exceeded by 360 cars, or approximately 10 percent, the average quantity shipped during the last 5 years, the 1936 eastern auction price for these plums averaged \$1.35 per crate, which is just equal to the average price of the past 5 years.

The shipment regulations covered 16 varieties of plums, or approximately 97 percent of the interstate shipments from California. There were a few varieties of minor commercial importance for which grade and size measures were not made effective. The steps relating to the

(Continued on p. 4)

TRUCK CROPS NOW YIELD LOWER PER-ACRE RETURN

Constant Increase In Acreage of Vegetables Accompanied by Steady Decline In Farm Income Per Acre

While the acreage of truck crops produced in the United States has steadily increased to a point where in 1935 it was over two times the acreage planted in 1919, the farm income per acre has constantly diminished until in 1935 it was less than half of that in 1919.

Acreage of truck crops in 1936 increased over the 1935 level from 2,890,000 acres to 3,000,000 acres for fresh consumption and canning, excluding potatoes and strawberries. This year's acreage compares with 1,900,000 acres in 1927 and somewhat over 1,200,000 acres in 1919. Adverse growing conditions in many producing areas, according to the General Crops Section, helped to maintain a satisfactory market situation for the country's vegetable growers this year despite the record acreage. With normal yields and growing conditions for the country as a whole, a considerable proportion of the truck crop acreage this year would not have been worth harvesting.

The average farm income per acre of truck crops in 1935 is estimated at \$77, compared with \$74 for the slightly smaller acreage in 1933 and \$139 per acre in 1919, when a little over a million acres of truck crops were grown.

Reports indicate that while total acreage has steadily increased, in general yields per acre and price per unit of commodity have steadily fallen off since 1919.

Despite drought conditions this year, which resulted in a low average yield of vegetable crops for the country as a whole and thus prevented serious losses to growers, the total supply of these crops is reported to be ample and little, if any, produce is remaining unharvested.

Potato Crop Cut

The Bureau of Agricultural Economics now estimates 1936 potato production for the United States at 311,951,000 bushels. This is approximately 16 percent less than the 1928-32 average production of 372,115,000 bushels, and 19 percent under the 1935 crop of 387,678,000 bushels.

The "late" or storage crop from which the country's winter supplies are drawn is grown in approximately 30 surplus-producing States. In this so-called late producing area, the 1936 crop of 260,068,000 bushels is approximately 13 percent under the 1928-32 average production of 300,186,000 bushels, and about 18 per-

(Continued on p. 2)



JESSE W. TAPP, Director

BETTER MARKETING is issued as a means of communicating to workers and cooperators of the Division of Marketing and Marketing Agreements information relative to the Division's activities under the Agricultural Adjustment Act and related Acts.

UNITED STATES DEPARTMENT OF
AGRICULTURE

AGRICULTURAL ADJUSTMENT ADMINISTRATION
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NATHAN KOENIG, Editor, BETTER MARKETING

TRUCK CROPS

(Continued from p. 1)

cent under the 1935 crop of 318,887,000 bushels. Acreage in the States is estimated to be 10 percent less than in 1935.

It is significant that in the States of Michigan, Idaho, Colorado, Washington, Oregon, and California, which normally produce slightly more than 26 percent of the crop of the 30 surplus States, the output is expected to be nearly 4,000,000 bushels below last year's crop, but more than 9,000,000 bushels above the 1928-32 average.

Maine, New York, and Pennsylvania, which produce normally about 32 percent of the total for the 30 late States, apparently will yield only about 2,500,000 bushels less than last year and about 7,000,000 bushels less than the 1928-32 average.

Wisconsin, Minnesota, North Dakota, South Dakota, Nebraska, and Wyoming, in which the drought has been most severe and which normally account for about 26 percent of the crop in the 30 late States, apparently have about 50 percent less potatoes than last year, and about 38,000,000 bushels under the 1928-32 average.

More Onions

The late onion crop is now estimated at 11,604,000 sacks of 100 pounds each, compared with 10,172,000 sacks last year, and an average of 9,602,000 sacks during the 5 years 1928-32. This year's crop is 14 percent over that of last year and 21 percent over the 5-year average.

The important onion States of New York, Michigan, and Indiana, where large supplies are stored for winter consumption and which normally produce over 44 percent of all late onions grown in the United States, based on the 1928-32 average, are expected to produce over 53 percent of all late onions this year. Much of the late onion crop is grown on peat soils which are not so seriously affected by drought.

Production of late cabbage is forecast at 386,000 tons which amounts to a reduction of nearly 168,000 tons, or 30 percent below the production of last year, and 178,000 tons, or 32 percent below the average production for the 5-year period, 1928 to 1932.

The production of dry edible beans in 1936 is expected to total nearly 10,800,000 bags of 100 pounds each as compared with nearly 13,800,000 bags in 1935 and

an average of 11,858,000 bags during 1928-32.

The late commercial crop of tomatoes for shipment is forecast at 6,176,000 bushels, an increase of 6 percent over the production of 1935 and nearly 18 percent over the 1928-32 average. Production prospects are favorable in all the important commercial areas with the exception of Illinois, Indiana, Iowa, and Kentucky.

D. C. MILK MARKET PLAN ESTABLISHED BY ORDER

Program Governs Prices Which Handlers Are to Pay Producers With Market- Wide Pooling of Returns

A milk marketing program for the District of Columbia which seeks to stabilize and improve selling conditions went into effect September 21 under an order issued by the Secretary of Agriculture.

Major provisions of the order relate to the classification of milk into two classes according to use by handlers, the establishment of minimum prices which handlers are to pay producers and of a differential for butterfat content and premiums which handlers are to pay producers for quality milk meeting District of Columbia Health Department scores, and the equitable distribution of returns to producers through a market-wide pool and a base rating plan. Administration of the program is through a market administrator.

For that quantity of milk represented by his base which for the rest of this year will be 75 percent of deliveries during the 3 months of October, November, and December of 1935, each producer is to receive \$3.02 per hundred-weight from handlers under the order. The remainder of the money accruing from class 1 and class 2 sales is to be distributed as a uniform price for milk delivered by each producer in excess of his base.

Use Values Set

So that the cost of milk to handlers may be according to its utilization, and returns made to producers in accordance with their bases, the order specifies prices for class 1 and class 2 milk. For class 1 milk—all milk or cream received by each handler from producers or an association of producers, except that milk which is handled so as to be classified in class 2—handlers would pay a minimum of \$2.82 per hundredweight for class 1 milk delivered at the plant, exclusive of any butterfat or quality premiums. On this basis the final cost of each handler's class 1 milk would vary from this price according to the butterfat test of milk received and the Health Department scores of producers supplying this milk.

The price for class 2 milk which handlers are to pay producers is established as the amount received by the handlers for such milk or cream, as shown by sworn invoices required to be filed with the market administrator, providing that the amount paid is not less than the equivalent of the standing offer of the Maryland-Virginia Milk Producers' Association to buy milk or cream for sale

LEVEL OF CHEESE PRICE HIGHER THAN YEAR AGO

Average For This Year Is Higher Than Same Period of 1935; Seasonal Decline Not So Steep

Prices of cheese during first 9 months of this year have been maintained at a relatively higher level than prices during the same period a year ago, figures compiled by the Dairy Section indicate.

The average price of twins at wholesale on the Wisconsin Cheese Exchange during the first 9 months of this year was 15.08 cents per pound compared with 13.98 cents per pound in the same period of 1935.

Following the usual seasonal price trend, the price of twins declined this year from 16.1 cents per pound in January to 14.2 cents per pound in February, 13.9 in March, 13 in April, and 12.8 cents in May, the low point for the year. The price increased to 14.2 cents per pound in June, 16.6 cents in July, 17.8 in August, and averaged 17.25 cents per pound for September. This year's price trend compares with 14.1 cents per pound in January of 1935, and a low point of 12.3 cents in June of last year. The price averaged 14.1 cents per pound for September 1935.

An index of seasonal variation of cheese prices over the 10-year period from 1921 to 1930, inclusive, shows that the January index of 108 is the highest while the lowest point is the April index of 91. This seasonal variation in cheese prices, which in 1936 was not as marked as in 1935, is influenced by the rise in production which takes place in the spring months as cows freshen, animals are turned out on pasture, and milk production increases.

On the basis of cheese prices so far this year, indications are that the average for the year as a whole will be higher than the 1935 average of 14.4 cents per pound for twins. In 1932 the average price for twins at wholesale on the Wisconsin Cheese Exchange was only 10 cents per pound.

to manufacturers of ice cream sold at wholesale, on file with the market administrator on the invoice date. Class 2 milk is defined in the order as being any milk or cream received by any handler from producers which is sold to the Maryland-Virginia Milk Producers' Association or to a person who is a manufacturer of ice cream which is sold at wholesale, providing the handler has given the market administrator reasonable opportunity to inspect such milk or cream prior to sale and files with the market administrator a sworn invoice.

Handlers are required to file periodic reports with the market administrator so that payments to producers may be computed, verified, and made public. These reports are to show, among other things, receipts of milk from producers, utilization, and sales during each delivery period.

Issuance of the order, according to a determination of the Secretary, was favored by 84 percent of the producers who sold milk in the District of Columbia during July 1936.

EXPERIMENTAL ROAD BUILDING PROJECT WHICH SEEKS NEW OUTLETS FOR COTTON UTILIZES 8,500 BALES

States Use Fabric Binders in Constructing 578 Miles New Roads and Cure Concrete Highways With Cotton Mats In Cooperative Program Started This Year

Approximately 8,500 bales of cotton were used in experimental highway construction during the summer of 1936, the Marketing Section reports. The total was evenly divided between two projects—fabric binders for bituminous-surfaced roads and mats for curing concrete—both developed as new uses for cotton under the current agricultural commodity diversion programs of the Agricultural Adjustment Administration.

More than 6,166,500 square yards of cotton, close to 4,000 bales, were used by 24 States in the fabric reinforcement program, enough for building 578 miles of new road. Between 4,000 and 4,500 bales of cotton were utilized in the construction of 89,500 mats for the concrete-curing project in 23 States. Both materials were made available to State highway departments by the Government, subject to performance reports.

The fabric is designed to reinforce secondary or farm-to-market roads where heavy trucking and severe climatic conditions have run up an immense seasonal repair bill. Comparative sections were laid with three types of fabrics and without fabric on each project to determine costs, and early reports of this season's work justify the findings of preliminary tests.

Idea Not New

The idea of using cotton fabric as a surface binder in road construction appeared about 25 years ago when cotton nets or shields were laid over sand on Cape Cod to provide a nonshifting surface for stone and other base materials in the construction of motor roads. The next application of this principle appeared in the South in 1926 when the South Carolina Highway Department began tests with fabric binders in asphalt and tar surface-treated roads following a record cotton crop.

Four tests were conducted in South Carolina during the next 8 years, and it was found that the cotton membrane of open-weave construction, laid over tar-treated "top-soil" or old bituminous-surfaced bases and covered with asphalt or tar emulsions and crushed stone, definitely prolonged the life of the road with less ravelling at the edges, fewer surface cracks, and less patching. In one instance fabric binder was applied to hold the surface of a road together where serious cracks and ravelling appeared in a surface less than two years old.

Fabric reinforcement also proved successful in maintaining satisfactory bituminous surfaces on flexible bridge floorings, where boards frequently break loose from the base under constant traffic pounding.

Tests of a similar nature were conducted in New Jersey in 1934 to determine the effects of climatic extremes. The experiment was made on an asphalt and crushed stone by-road. After a severe winter, during which ice ruts 6 inches deep were reported in nearby sections, the fabric-treated section was re-

ported to be without blemish except for a few spots where wind, rain, and traffic wear exposed the cloth. The section without fabric treatment is said to have ravelled badly and showed many holes.

Mats Cure Cement

The mat project was developed on the basis of tests made by the Bureau of Public Roads and the highway departments of Texas and Pennsylvania. The curing of cement requires the maintenance of adequate moisture and rather constant temperatures to assure proper compressing strength.

In most instances freshly laid concrete is covered with wet burlap and hay or earth for at least 72 hours. Other curing methods include covering the surface with tar paper or sheets of water, the latter designated as "ponding." These methods are generally cumbersome and costly. The materials employed, furthermore, do not lend themselves readily to repeated use.

Mats or pads simplify the curing problem by assuring proper moisture and temperature conditions. The mats are made from a single-ply layer or bat of low-grade cotton or cotton waste quilted between cotton cloth covers. Such mats retain moisture for a number of hours and are durable, easily handled, and capable of repeated use. In regions where water is scarce, their moisture-retaining qualities constitute a distinct advantage. Where excessively high temperatures or freezing are problems their insulating qualities are important.

Until the present project was promulgated road engineers and contractors hesitated at using mats for curing concrete because of the cost involved. Large-quantity buying has reduced the cost of the mats considerably, and since they can be re-used 50 to 75 times, their costs per use should be moderate. In the long run, it is believed, the advantages possessed by the mats will fully compensate the relatively high initial outlay.

Cotton Fabric Binders

The annual construction of 20,000 miles of bituminous surface-treated roads and the repair of 45,000 miles of such roads are suggestive of the size of the market which may be developed for cotton through this use.

Binders have also been tried in the construction of bituminous-surfaced runways at airports, where a high safety factor and low building costs are paramount. The use of cotton fabric binders may permit the use of less expensive base substances for such runways, where the volume and stress of traffic is relatively light, and yet meet waterproofing requirements. This process is now being tested at the Newark, N. J., airport and at Riley Field, Fort McClellan, Ala.

Previous tests showed that an open-weave fabric would meet low-cost requirements and be better suited to road construction of this sort because it per-

mitted the bituminous emulsions to penetrate the cotton fibers and produce a more perfect merging of the highway surface and base. Three weaves were selected for the present program after more than 100 were designed and tested by the North Carolina State College Textile School. These ranged from comparatively tightly woven fabrics, requiring more than 13 bales of cotton and costing approximately \$1,160 per mile, to a looser weave that would require only 6 bales of cotton and cost but \$450 per mile. The latter fabric and two others, one requiring nine bales of cotton and costing \$760 per mile, and another consuming seven bales of cotton and costing \$600 per mile are the ones being used. Each type is used on every project so that the results and costs can be compared and maintenance cost records are to be kept for a period of 5 years.

Wide Possibilities

The principal factor which will govern the use of the fabric membrane in highway construction is its economy in maintenance cost. The reduction in subsequent costs must compensate for the added construction expense. It is estimated that the cost of maintaining a bituminous surface-treated road is \$250 per year in the South and \$400 per year in the North. If this expense can be reduced or if the life of the surface can be prolonged sufficiently the use of fabric will be justified.

Foreign countries, as well as the United States, are interested in these roads. Many miles of dirt-base roads in the British Isles and on the Continent, where the relatively light volume of traffic does not justify concrete construction, can be modernized for motor traffic by bituminous surfacing. It is reported that in England cotton fabric was used in one section of bituminous surface treated road which was completed 2 years ago. Holland undertook several sections last year, and Spain has taken an active interest in the possibilities of this process.

Operation of the program was made possible under the provisions of section 32 of the amendments to the Agricultural Adjustment Act, approved August 1935. This section makes available to the Secretary of Agriculture an amount equivalent to 30 percent of the annual customs receipts for such uses which include the finding of new outlets and uses of agricultural products.

WALNUT AMENDMENTS

(Continued from p. 1)

Oregon and Washington during the crop year ending August 31, 1937, and handled during that crop year, but any packer of such walnuts may, at his option, meet in full or in part the surplus obligation that would be imposed by the agreement were the exemption not in effect. This modification was made because of the extremely short walnut crop produced in Washington and Oregon this year.

Other modifications are for the purpose of clarification. Packers will be permitted to meet the surplus obligation in walnuts or through the payment of cash to the Walnut Control Board. The amendments were suggested by the Walnut Control Board, which is in charge of administering the provisions of the marketing agreement and order. These were considered at a public hearing held September 8 at Berkeley, Calif.

BOSTON MILK PROGRAM

(Continued from p. 1)

duction control and processing taxes. This ruling made continuance of the order in the Boston market impossible.

Under the program payments to producers were made through a market-wide pool with bases assigned to each producer. In this way each producer supplying the market was assured of a fair share of the market's fluid-milk sales. The program enabled each producer to be more nearly independent of any particular distributor, made it possible for each dairyman to know in advance the approximate price which he would receive for his milk. Through reports and audits of the books of handlers under the program it was possible to verify the accuracy of payments made to each farmer.

In addition to increasing returns to producers, the program greatly narrowed the spread between the high and low points of the composite milk price and thus stabilized producers' income. During the 2-year period from April 1932 to March 1934, before the program went into effect, there was a wide variation in composite prices. For example, in the 1932-33 period the high composite price was \$1.80 per hundredweight, while the low point was \$1.12, resulting in a variation of 68 cents. During the 1933-34 period the high point was \$1.85 and the low point \$1.13, a variation of 72 cents. From April 1934 to March 1936, 2 years in which the program was in effect, the variation in composite prices narrowed. The high composite price in the 1934-35 period was \$2.03 per hundredweight and the low was \$1.39, a variation of 64 cents. During the period 1935-36 the high composite price was \$1.87 and the low was \$1.48, a variation of only 39 cents.

Conservation Program Seen To Have Little Effect On Volume Of Milk

How will the agricultural conservation program affect the dairy industry in general?

According to the Dairy Section, there is no conclusive answer at this time, since the problem involved is rather complicated. However, the program is not expected to have any material effect on the volume of milk produced in the next few years.

Pointing out divergent opinions, the Dairy Section says there are some who take the position that, although the program may materially increase the production of hay and pasture, this increase will tend to be partially offset by a reduction in other feed crops, such as corn and oats, and other feed products, such as cottonseed. Also, it is contended that a substantial portion of the increase in hay and pasture will take place in sections of the country where rapid expansion of the dairy industry on a commercial basis is not likely to take place.

On the other hand, there are others who contend that, over a period of time, a marked increase in pasture and hay, particularly legumes, will be conducive to an increase in milk production over the production that might have been ex-

pected without the program. This, it is held, would tend to result from an increase in numbers of cows, possible because of a marked increase in hay and pasture, which would tend to offset the effects heavier feeding of roughages relative to higher-priced concentrates would have on milk production per cow.

While there are divergent opinions on the subject, the Dairy Section says it appears reasonable to believe that a continuation of the agricultural conservation program will have little effect on total milk production during the next 2 or 3 years.

The agricultural conservation program, in effect under the Soil Conservation and Domestic Allotment Act of February 29, 1936, is designed to preserve and improve soil fertility; promote the economic use and conservation of land; reduce the exploitation, wasteful, and unscientific use of soil resources; reestablish the purchasing power of farm income; and assure the Nation adequate supplies of food and fiber.

OUTLET TO BE EXPANDED UNDER PRUNE PROGRAM

Diversion of Substandard Prunes To Be Supplemented by Buying of Standards for Relief Use

A two-way program to improve marketing conditions for growers of dried prunes produced on the Pacific coast is being put into effect through the diversion of substandards to byproduct uses and Government purchases of standard prunes for relief distribution.

Substandard dried prunes of the 1936 crop are to be diverted from normal trade channels to specified byproduct uses under an agreement between the Secretary of Agriculture and the Pacific Prune Products Association, a nonprofit industry-wide organization which operated a similar program for substandard prunes of the 1934 and 1935 crops. The diversion program will involve "not in excess of 5,000 tons" of substandard prunes.

A total of 3,000 tons of standard prunes are to be purchased for distribution by the Federal Surplus Commodities Corporation to the States for relief use. Of this amount, 2,400 tons are to be bought in California and 600 tons in the Pacific Northwest. The purchases will be made from packers who will agree to buy an equal quantity of unprocessed prunes of the 1936 crop from growers at prices not less than a 3½-cent basis. The purchase program will supplement the diversion program.

Follows 1935 Plan

In general, the diversion program for substandard prunes of this year's crop is similar to that which was in operation during the last year for substandard prunes of the 1934 and 1935 crops. Under the plan the Secretary of Agriculture is to authorize the Pacific Prune Products Association to buy at specified prices substandard natural-condition prunes from growers or packers in California, Washington, Oregon, and Idaho. These prunes are to be sold by the association for con-

PLUM CROP SHIPPED

(Continued from p. 1)

sizes of plums shipped in interstate commerce made it possible to keep for local outlets such fruit as would not have returned growers direct marketing costs had it been shipped to distant markets. Experience of growers in the past has demonstrated that very frequently plums in eastern markets have sold at prices appreciably lower than the total cash costs necessary to lay them down in those markets.

Most of the plums produced in California are shipped for fresh consumption. During the past 5 years approximately 89 percent of the total California plum production was shipped for consumption in fresh form, 3 percent canned, and 8 percent left unharvested. Shipments of fresh plums from California usually start in the latter part of May, reach their peak during the middle or latter part of June, and continue with decreasing volume until the latter part of August or early September.

version into byproducts such as prune juice, puree, prune concentrate, dried prune products, pitted prunes, prune brandy, or other approved byproducts. The association is to be indemnified for the difference by which the purchase price exceeds the sales price, plus operating expenses.

Operation of the diversion and purchase programs is made possible under section 32 of the amendments to the Agricultural Adjustment Act approved in August 1935. This section makes available to the Secretary of Agriculture an amount equivalent to 30 percent of annual customs receipts for such uses as diversion from normal channels of trade to encourage new uses and new outlets for farm products.

Supports Industry's Efforts

Under the program the West Coast prune industry will be able to continue its efforts to improve marketing conditions. During 1932 and 1933 the industry voluntarily undertook to prevent the packing of substandard prunes in commercial outlets. In 1934 the industry operated under a marketing agreement program developed under the provisions of the Agricultural Adjustment Act under which substandard prunes could be used only for byproduct purposes. In 1935 the first diversion program was developed and put into effect for the utilization of substandard prunes. This program was supplemented by Government purchases of prunes for relief use.

Commercial production of prunes in the United States is confined to California and the Pacific Northwest, where production for 1936 is estimated at 189,000 tons, compared with 298,000 tons in 1935 and 223,000 tons during the 5-year period 1930-34. Largely as a result of heavy production in the area in 1935, carry-over stocks of prunes on hand are indicated to be the largest on record. Also, the production of prunes in Europe which are directly competitive with prunes grown in this country is estimated to be almost double that of the average for the 1930-34 period.